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Anaheim Firm May Have Sought Spy Satellite Data

By ROBERT C. TOTH, Times Staff Writer

WASHINGTON—An Anaheim firm that has been linked to an attempt to smuggle high technology equipment to the Soviet bloc in April also had begun building a satellite ground station in New Mexico that could have eavesdropped on the most top-secret U.S. spy satellites. The Times has learned.

The firm, Land Resources Management Inc., and its chairman, Charles J. McVey, had a unique, cost-free agreement with the National Aeronautics and Space Administration to listen to a NASA Landsat satellite, according to a NASA official. This could have been used as the cover for tuning in on data beamed down from other civilian and military satellites to a White Sands, N.M., government facility.

"Someone contacted me about consulting on that (Land Resources) ground station," one technical expert said, "and my immediate thought was that someone wanted to tap into the system at White Sands, either to snatch some commercial opportunity or for foreign intelligence. There wasn't any other good reason for putting it there."

Adding further mystery to the situation is that Land Resources had also signed a contract with China to build a satellite ground station there, like the one it was to construct in New Mexico. The China station also would have received data from NASA's land-sensing, or Landsat, satellite.

McVey is the target of a federal grand jury investigation in South-

ern California into an attempt to channel high technology equipment to the Soviet bloc, in violation of U.S. customs laws. The investigating begun in April, is expected to be completed this month.

McVey's lawyer, Plato Cacheris, a veteran defense attorney, said his client "is unavailable and out of the country." Sources said that McVey had first gone to Mexico and is now believed to be in Europe.

Defense Secretary Caspar W. Weinberger made a guarded reference to the investigation Thursday, when he said that the Soviets had "tried to steal a multispectral scanner, which is indispensable to military, air and satellite reconnaissance." A scanner is a camera that takes pictures in the visible as well as infrared light ranges.

Except for NASA, federal agencies have refused to discuss the case in detail. NASA Administrator James M. Beggs said in an interview that he had signed a memorandum of understanding with McVey in February because NASA "was trying to get Landsat coverage of the Western United States on the cheap."

No-Charge Arrangement

In the memo, a copy of which was obtained by The Times, Land Resources was given permission to collect data from NASA's Landsat satellite "without charge" in exchange for passing on that data to NASA scientists "on a direct cost-reimbursable basis."

No other individual had ever received such permission, Beggs said. Ten foreign governments have access to Landsat for a charge of \$200,000 a year, and two more, including China, have signed access agreements. The charge for access will triple to \$600,000 a year for all nations in 1982.

McVey, 57, a garrulous man of well over 300 pounds who wears many rings on his fingers, first came to the notice of the satellite experts about two years ago. Business associates said he presented himself as computer specialist with a doctorate in physics and a personal fortune, \$15 million of which he had invested in Land Resources plants and equipment just off the Artesia Freeway.

One source who visited McVey's company said that in addition to the latest computers and computer programs, the plants have a "library" of NASA's Landsat photographs from which scenes from all over the Earth can be instantly called up and displayed. "Damnedest thing I ever saw," the visitor said.

Commercial Possibilities

He said the plants also had very expensive equipment for printing multi color satellite views of Earth. McVey told persons who visited his plant that he intended to exploit the commercial possibilities of Landsat data—which is already used by geologists who search for oil and minerals, and specialists who estimate foreign crop harvests, among others.

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